

State of Nevada  
Gaming Control Board

CPA MICS Compliance Checklist

Auditor's Name and Date

**CAGE AND CREDIT**

Licensee \_\_\_\_\_ Review Period \_\_\_\_\_

NGC Regulation 6.090(9) requires the CPA to use "criteria established by the chairman" in determining whether a Group I licensee is in compliance with the Minimum Internal Control Standards (MICS). This checklist is to be used by the CPA in determining whether the licensee's cage and credit operations are in compliance with the Cage and Credit MICS.

Date of Inquiry	Person Interviewed	Position

Checklist Completion Notes:

- 1) Unless otherwise instructed, examine a completed document for compliance for those questions referring to records/documentation as indicated and recalculate where appropriate. Indicate (by tickmark) whether the procedures were confirmed via examination/review of documentation, through inquiry of licensee personnel or via observation of procedures. Tickmarks used are to be defined at the bottom of each page.
- 2) All "no" answers require referencing and/or comment, and should be cited as regulation violations, unless the Board Chairman has granted a MICS variation or the question requires a "no" answer for acceptability.
- 3) "(#)" refers to the Minimum Internal Control Standards for Cage and Credit, Version 5.

Minimum Internal Control Standard Notes (paraphrased from the standards)

Note 1: For the purpose of completing this checklist, classify the licensee into one of two categories. A "Category A" licensee is a licensee whose "Collections in Areas Other than the Pit" on the NGC-1's for the 12 months ended June 30 exceeds \$10 million. A "Category B" licensee is a licensee whose "Collections in Areas Other than the Pit" on the NGC-1's are less than or equal to \$10 million. All questions must be completed for "Category A" licensees including, if applicable, procedures for branch offices. Questions 12, 25, 31-33 and 62 (MICS #'s 5, 18, 24-26 and 54) do not apply to "Category B" licensees and should be marked as "N/A." The term licensee includes race and sports books who cash checks for patrons.

State Licensee's Category: \_\_\_\_\_

Note 2: The definition of categories A and B above are intended to apply only to those licensees who have pit credit and/or list credit adjustments on their NGC-1's. If a licensee has no pit credit and makes no adjustments for returned checks or cage credit on their NGC-1's, only questions 1, 2-7, 23-24, 42-49, 55, 66-69 and 74-80 (MICS #'s 16-17, 35-48, 58-61 and 66-70) apply.

Note 3: These standards represent the minimum acceptable credit procedures applicable to race and sports, slots, keno, bingo and the cage departments. The requirements of Regulation 6.120 must also be met if credit issuances are to be excluded from gross gaming revenue.

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Note 4: For any Board-authorized computer applications, alternate documentation and/or procedures which provide at least the level of control described by these standards will be acceptable. **Such alternate documentation and/or procedures must be described in detail as to their acceptability.**

Note 5: The accounting treatment and documentation requirements applicable to marker transactions are also applicable to front money wagering transactions and cash deposit/withdrawal (CDW) transactions.

Questions	Yes	No	N/A	Comments, W/P Reference
1. Has the licensee's written system of internal control for cage and credit been read prior to the completion of this checklist to obtain an understanding of the licensee's cage and credit operation?				
<b><u>Cage/Vault Accountability</u></b>				
2. Are all transactions that flow through the casino cage summarized on a cage accountability form on a per shift basis? <b>(40) Verify by examination.</b>				
3. Are increases and decreases to the cage inventory supported by documentation? <b>(41) Verify by examination.</b>				
4. For any individual increase/decrease which exceeds \$100, does the documentation indicate the date and shift, the purpose of the increase/decrease, the person(s) completing the transaction, and for decreases an indication of the person or department receiving the cage funds? <b>(41) Verify by examination.</b>				
5. Are the cage and vault inventories (including coin rooms/vaults) counted by at least two persons, attested to by signature, and recorded in ink or other permanent form at the end of each shift during which activity took place and does such documentation include the date and shift for which the count was performed? <b>(42)</b>  <b>Note:</b> The above procedure must be performed at least once daily even if no activity took place in a specific area of accountability. <b>(42)</b>				
6. Are all net changes in outstanding casino accounts receivables, including all returned checks, summarized on a cage accountability form or similar document on a per shift basis? <b>(43) Verify by examination.</b>				
7. Is the information mentioned in the preceding question summarized and posted to the accounting records on at least a monthly basis? <b>(44) Verify by examination.</b>				

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Questions	Yes	No	N/A	Comments, W/P Reference
<b><u>Approval and Issuance of Credit</u></b>  <b>Note:</b> A counter check is a form provided by the licensee that is completed as is necessary for the instrument to be presented to the patron's bank for payment. <b>(1, Note 2)</b>  <b>Testing of patron credit accounts is required. Select 10 patron credit accounts and examine the documentation evidencing the authorization to establish a credit limit or to issue credit.</b>				
8. Is at least the following information recorded and maintained for patrons who have established credit limits or are issued credit of any amount (credit issuances include the issuance of markers and the use of counter checks, but exclude personal checks, payroll checks, cashier's checks and traveler's checks):  <b>Note:</b> The information required by "a" through "e" below is documented prior to the issuance of credit in any amount. <b>(1, Note 1)</b>				
a) The patron's name, current address, and signature? <b>(1a)</b>				
b) The type of identification credential, credential number, expiration date of credential, and date credential was examined? <b>(1b)</b>  <b>Note:</b> A driver's license is the preferred method for verifying the patron's identity. A passport, non-resident alien identification card, or other government issued identification credential or another picture identification credential normally acceptable as a means of identification when cashing checks, may also be used. <b>(1b)</b>				
c) Documentation of credit worthiness using a method permissible under Regulation 6.120(2)(a)? <b>(1c)</b>				
d) Authorized credit limit? <b>(1d)</b>				
e) Signature/initials of the individual(s) designated by management to approve credit limits? <b>(1e)</b>  <b>Note:</b> For computerized systems, a credit limit approval controlled through system passwords is acceptable. <b>(1e)</b>				
f) Date, time and amount of credit issuances and payments? <b>(1f)</b>				

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Questions	Yes	No	N/A	Comments, W/P Reference
g) Amount of available credit? <b>(1g)</b>				
9. Prior to the issuance of gaming credit to a patron, does the employee issuing the credit perform the following:				
a) Determine whether the credit limit is properly authorized? <b>(2a)</b>				
b) Determine whether the available credit is sufficient to cover the issuance? <b>(2b)</b>				
c) Verify the patron's identity by examining the patron's identification credential (except for patrons that are known)? <b>(1c)</b>  <b>Note 1:</b> A patron's driver's license is the preferred method for verifying the patron's identity. A passport, non-resident alien identification card, other government issued identification credential or other picture identification credential normally acceptable as a means of identification, may also be used. <b>(2c)</b>  <b>Note 2:</b> It is recommended, but not mandatory, that in order to mitigate identity theft the identification credential presented when issuing credit and the patron's signature be compared to the copy of the patron's picture identification (if applicable) and signature that were obtained when the patron's credit account was established. <b>(2c)</b>				
10. Are credit limits over a specified dollar amount approved by personnel designated by management? <b>(3) State the amount(s) and designated personnel.</b>				
11. Is proper approval for the increase of credit limits of over 10 percent of the previously established credit limit or \$1,000, whichever is greater, documented? <b>(4) State who may authorize these limits.</b>				
12. Are the job functions of credit approval (i.e., establishing the patron's credit worthiness) and credit issuance segregated if pit or cage credit issuances to a single patron of \$10,000 or more per day are transacted? <b>(5)</b>				

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13. If cage markers and/or counter checks are issued to a single patron in an amount exceeding \$3,000, are applicable gaming personnel notified on a timely basis of the patron's playing on cage credit, the applicable amount of credit issued, and the available balance? <b>(6)</b>  <b>Note:</b> This can be accomplished through the use of a computerized credit system that automatically updates a patron's account after every issuance.				
14. Are cage marker forms at least two parts (the original marker and a payment slip), prenumbered by the printer or concurrently numbered by the computerized system, and utilized in numerical sequence? <b>(7) Verify by examination.</b>				
15. Does the original cage marker contain the marker number, the patron's name and signature, the amount of credit issued (both alpha and numeric), and the signature or initials of the cashier, unless this cashier information is included on another document? <b>(8) Verify by examination.</b>				
16. Does the payment slip include the same marker number as the original, the date and time of payment, the amount of payment, the nature of settlement (cash, chips, etc.), and the signature or initials of the cashier receiving the payment, unless this cashier information is included on another document? <b>(9) Verify by examination.</b>				
17. When counter checks are issued, does the check include the patron's name and signature, the dollar amount of credit issued (both alpha and numeric), and the signature or initials of the cashier, unless this cashier information is included on another document? <b>(10a-c) Verify by examination.</b>				
18. Do voided marker contain the word "void" written across all parts of the marker along with the reason for the void, the date and time of void, and the signature or initials of the cashier and a cage department supervisor? <b>(11a-c) Verify by examination.</b>				
19. Is the marker voiding process completed no later than thirty minutes after the issuance of the marker unless the reason for exceeding this time period is documented? <b>(12)</b>				
20. For computer-generated markers, is the patron's computer account updated to reflect the voided marker transaction? <b>(13)</b>				

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21. Are all parts of the voided marker submitted to the accounting department for retention and accountability? <b>(14) Verify by examination.</b>				
22. Are pit markers prohibited from being voided by cage personnel? <b>(15)</b>				
23. If personal checks, cashier's checks, or payroll checks are cashed, does the cage cashier:				
a) Examine and record at least one item of patron identification (e.g., driver's license)? <b>(16a)</b>				
b) For personal checks, verify the patron's credit worthiness pursuant to Regulation 6.120(2)(a) and record the verification source and results on the check? <b>(16b) Verify by examination of one check the recording of the verification source and results.</b>  <b>Note:</b> For patrons that have an active established credit limit pursuant to MICS #1, verification of the patron's credit worthiness is not required. "Account on file" is recorded as the verification source and results. <b>(16b)</b>				
c) For payroll checks, make a reasonable effort to verify business authenticity? <b>(16c)</b>				
d) Make a reasonable effort to verify the authenticity of cashier's checks for amounts over \$1,000? <b>(16d)</b>  <b>Note:</b> If a check guarantee service is used to guarantee payment of an instrument and the procedures required by the check guarantee service are followed, then "a" through "d" above do not apply. <b>(16d)</b>				
24. When traveler's checks/guaranteed drafts are presented, are all required issuance and acceptance procedures adhered to by the drawee and cage personnel? <b>(17)</b>				
<b>Testing of documentation for outstanding credit instruments is required. Select two outstanding credit instruments transferred to branch offices per day for 2 days. Test days must be in non-consecutive months. Indicate test dates selected and results of testing.</b>				

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25. If outstanding credit instruments are transferred to branch offices, collection agencies, or other collection representatives, is a copy of the credit instrument and a receipt from the collection representative obtained and maintained until such time as the credit instrument is returned or payment is received? <b>(18)</b>				
26. If outstanding credit instruments are transferred to a law enforcement agency (e.g., district attorney's office), is a copy of the credit instrument and documentation from the law enforcement agency maintained stating that the original credit instrument is in their possession? <b>(19)</b>				
27. Is a detailed listing maintained to document all outstanding credit instruments that have been transferred to other offices? <b>(20)</b>				
28. Is the listing mentioned in the previous question prepared or reviewed and signed by an individual independent of credit transactions and collections thereon? <b>(21)</b>				
<b><u>Payment Standards</u></b>				
29. Are all payments received on outstanding credit instruments permanently recorded in the licensee's records and at the branch office, if applicable? <b>(22) Verify by examination.</b>				
<b>Testing of partial payment receipts is required. Select 3 multi-part partial payment receipts per day for 2 days. Test days must be in non-consecutive months. Indicate test dates selected and results of testing.</b>				
30. When partial payments are made on credit instruments, including personal checks, payroll checks and cashier's checks, and the original instruments are not replaced with a marker for the remaining balance, are they evidenced by a multi-part receipt (or another equivalent document) which contains the following:				
a) The same receipt number on all copies? <b>(23a)</b>				
b) Patron's name? <b>(23b)</b>				
c) Date of payment? <b>(23c)</b>				
d) Dollar amount of payment, and nature of settlement (cash, chips, etc.)? <b>(23d)</b>				
e) Signature or initials of individual receiving payment? <b>(23e)</b>				

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f) Number of credit instrument on which payment is being made? <b>(23f)</b>				
<b>Note:</b> The following three questions do not apply if account balances are routinely confirmed on a random basis by the accounting or internal audit departments, if statements are mailed by someone independent of the credit transactions and collections thereon, and the department receiving payments cannot access cash. <b>(Note after MICS #23f)</b>				
31. Are mail payments received by a department independent of the credit instrument custody and collection functions? <b>(24) State the department.</b>				
<b>Testing of mail payment listings re is required. Select one mail payment listing per day for 2 days. Test days must be in non-consecutive months. Indicate test dates selected and results of testing.</b>				
32. Are mail payments documented on a listing that contains the name of patron's account that the payment is being applied to, the name of the individual making the payment, if different than the patron, the amount of the payment, the nature of payment (if other than a check), and the date the payment was received? <b>(25a-d)</b>				
33. Is the total amount of the listing of mail receipts required per the standard mentioned in the previous question reconciled with the total mail receipts recorded on the appropriate accountability by the accounting department on a random basis for at least 3 days per month? <b>(26)</b>				
<b><u>Access to Credit Documentation</u></b>				
34. Is access to credit information restricted to those positions which require access and are so authorized by management? <b>(27) State the positions.</b>				
35. Is access to outstanding credit instruments restricted to persons authorized by management? <b>(28) State the positions.</b>				
36. Is access to written-off credit instruments further restricted to individuals specified by management? <b>(29) State the individuals/positions.</b>				

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<b><u>Documentation</u></b>				
37. Are all issuances of cage credit, pit credit transferred to the cage and subsequent payments documented on a credit instrument control document by cage personnel? <b>(30) Verify by examination.</b>				
38. Are records of all correspondence, transfers to and from outside agencies, and other documents related to issued credit instruments maintained? <b>(31) Verify by examination.</b>				
<b><u>Write-off and Settlement Standards</u></b>				
<b>Testing of write-off and settlement documents is required. Select 2 write-off and 2 settlement documents. Include a copy of the documents in the workpapers along with the results of testing.</b>				
39. Are written-off or settled credit instruments authorized in writing? <b>(32)</b>				
40. Are written-off or settled credit instrument approvals made by at least two management officials, other than branch office personnel, and do the individuals approving the write-off or settlement sign a document indicating their authorization? <b>(33)</b>  <b>Note 1:</b> At least one of the management individuals must be independent of the initial credit limit approval process, and the issuance and collection of credit relative to the patron's account. <b>(33)</b>  <b>Note 2:</b> The job titles of management personnel designated to review and grant such approvals are included in the cage and credit section of the written system of internal control pursuant to Regulation 6.120(6)(b). <b>(33)</b>				
41. Is the completed written-off and settled credit instrument documentation submitted to the accounting department within 72 hours of completion? <b>(34)</b>				
<b><u>Customer Deposits</u></b>				
<b>Testing of customer deposits is required. Select 2 documents evidencing the receipt or disbursement of customer deposits per day for 2 days. Test days must be in non-consecutive months. Indicate test dates selected and results of testing.</b>				

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42. Are receipts or withdrawals of customer deposits evidenced by at least a two-part document with one copy going to the customer and one copy remaining in the cage file? <b>(35)</b>				
43. Does the multi-receipt mentioned in the previous question contain the following:  <b>Note:</b> Provided all of the information in "a" through "e" below is available, the only required information for all copies of the receipt is the receipt number. <b>(36)</b>				
a) The same receipt number on all copies? <b>(36a)</b>				
b) The customer's name and signature? <b>(36b)</b>				
c) The date of deposit/withdrawal? <b>(36c)</b>				
d) The dollar amount of deposit/withdrawal? <b>(36d)</b>				
e) The nature of the deposit/withdrawal (e.g., cash, check, chips)? <b>(36e)</b>				
44. Are procedures established to:				
a) Maintain a detailed record by patron name and date of all funds on deposit? <b>(37a)</b>				
b) Maintain a current balance of all customer deposits which are in the cage/vault inventory or accountability? <b>(37b)</b>				
c) Reconcile this current balance with the deposits and withdrawals at least daily? <b>(37c)</b>				
<b><u>Safe Deposit Boxes</u></b>  <b>Note:</b> It is recommended, but not mandatory, that the following procedures for maintaining accurate records on the issuance and closure of safe deposit boxes also be adhered to in non-gaming areas of the licensee's establishment (e.g., hotel front desk).				
<b>Testing of safe deposit box documentation is required. Select 2 documents evidencing the issuance and closure of safe deposit boxes per day for 2 days. Test days must be in non-consecutive months. Indicate test dates selected and results of testing.</b>				

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45. Is the issuance and closure of a patron's safe deposit box in the casino cage or in other gaming areas of the licensee's establishment evidenced by a document that includes the following information:				
a) The safe deposit box number? <b>(38a)</b>				
b) The date of issuance and closure? <b>(38b)</b>				
c) The patron's name and signature? <b>(38c)</b>				
d) The type of identification credential, the credential number, the expiration date of the credential, and the date the credential was examined? <b>(38d)</b>  <b>Note 1:</b> A patron's driver's license is the preferred method for verifying the patron's identity. A passport, non-resident alien identification card, other government issued identification credential or other picture identification credential normally acceptable as a means of identification when cashing checks, may also be used. <b>(38d)</b>  <b>Note 2:</b> For patrons that have an active established credit limit pursuant to Cage and Credit MICS #1, examining the patron's identification credential is not required. "Account on file" is recorded as the type of identification credential examined. <b>(38d)</b>				
e) The employee's name and signature that issued or closed the safe deposit box? <b>(38e)</b>				
46. Are procedures established to maintain a detailed record of all casino safe deposit boxes and the current status of each box (e.g., issued, not issued)? <b>(39)</b>				
<b><u>Promotional Payouts, Drawings and Giveaway Programs</u></b>  <b>Note:</b> The following three questions apply to any payout resulting from a promotional payout, drawing, or giveaway program (e.g., paycheck wheels) disbursed by the cage department or any other department, exclusive of programs that have been addressed in the MICS for other departments. The promotional payout, drawing or giveaway programs applicable to these MICS are associated with gaming activity or a promotional scheme to encourage the patron to participate in gaming activity. <b>(Note under this Heading)</b>				

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Questions	Yes	No	N/A	Comments, W/P Reference
47. Are the conditions for participating in promotional payouts, including drawings and giveaway programs, prominently displayed or available for patron review at the licensed location? <b>(45) Verify by examination.</b>				
<b>Testing of promotional payouts is required. Select one promotional payout form per day for 2 days. Test days must be in non-consecutive months. Indicate test dates selected and results of testing.</b>				
48. Are promotional payouts that are either deducted from gross revenue, or are greater than or equal to \$100 and not deducted from gross gaming revenue, documented to include the following:				
a) Date and time? <b>(46a)</b>				
b) Dollar amount of payout or description of personal property (e.g., car)? <b>(46b)</b>				
c) Reason for payout (e.g., promotion name)? <b>(46c)</b>				
d) Signature(s) of the following number of employees verifying, authorizing, and completing the transaction:				
1) Two employee signatures for all payouts of \$100 or more; or				
2) One employee signature for payouts of less than \$100 that are deducted from gross gaming revenue? <b>(46d)</b>				
49. If the promotional cash payout is less than \$100 and is not deducted from gross gaming revenue, is documentation created to support the bank accountability? <b>(47)</b>				
<b>Branch Offices</b>  <b>Note:</b> The questions/standards under this heading apply to licensees with branch offices operated by their employees, marketing representatives, and independent agents. <b>(Note under this Heading)</b>				
50. For branch offices does the licensee meet the requirements of MICS #'s 18–23 and 31–37 (question #'s 25-30, 38-44)? <b>(71)</b>				

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51. At least monthly, does a home office employee independent of branch office operations and the cage department reconcile the listing prepared pursuant to the standard in the previous question to the credit issuances and payments recorded by the cage? <b>(72)</b> <b>Verify by examination.</b>				
<b>Testing of branch office documentation is required. Select the required document referred to in the question for 2 days. Test days must be in non-consecutive months. Indicate test dates selected and results of testing. Testing of customer deposits is required. Select 2 documents evidencing the receipt or disbursement of customer deposits per day for 2 days. Test days must be in non-consecutive months. Indicate test dates selected and results of testing.</b>				
52. Is the following information maintained for each branch office that receives payments on credit instruments:				
a) The location of branch offices along with the date the branch was opened and closed, if applicable? <b>(73)</b>				
b) The name of the branch office manager and the address and telephone number of the office? <b>(73)</b>				
c) The total dollar amount of cash deposits and payments on credit instruments handled during the previous fiscal year for each branch office? <b>(73)</b>				
53. Does each branch office maintain the following documents:				
a) A monthly log of payments received on credit instruments that includes the patron's name on account to which the payment is being applied, the name of the individual making the payment (if different than the patron), the date of payment, the dollar amount of payment, and the nature of payment (e.g., cash, check)? <b>(74a)</b>				
b) A monthly log of all funds deposited and withdrawn that includes the patron's name, the date of deposit/withdrawal, the dollar amount of deposit/withdrawal, and the nature of deposit (e.g., cash, check) and withdrawal (e.g., cash, marker payment)? <b>(74b)</b>				

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<p>c) A monthly record of currency exchange rate gains and losses and money changer fees in conjunction with a patron's payment on credit instruments that includes the patron's name, date of receipt, and dollar amount of payment? <b>(74c)</b></p> <p><b>Note:</b> The money changer fees paid by the patron is included in the dollar amount of collections reported on the NGC tax returns. Additionally, the dollar amount of collections reported on the NGC tax returns should not be adjusted for the currency exchange rate gain or loss in conjunction with a patron's payment. <b>(74c)</b></p>				
<p><b>Note:</b> The following standard applies to licensees with branch offices, marketing representatives, and/or independent agents that collected, in total, more than \$500,000 on credit instruments during the previous fiscal year, or more than \$500,000 in the fiscal year to date. <b>(Note after 74c)</b></p>				
<p>54. Is a report maintained for each branch office, marketing representative, and/or independent agent (if not associated with a branch office) receiving payments on credit instruments that includes the following:</p>				
<p>a) The total dollar amount of credit issuances (pit and cage) by month for patrons assigned to the branch office, marketing representative or independent agent? <b>(75a)</b></p>				
<p>b) The total dollar amount of payments received in the month of the related credit issuance and for each subsequent month thereafter until the balance is collected, written off or settled? <b>(75b)</b></p>				
<p>c) The total dollar amount of settlements and write-offs in the month of the related credit issuance and for each subsequent month? <b>(75c)</b></p>				

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Questions	Yes	No	N/A	Comments, W/P Reference
<b><u>Accounting Standards</u></b>  <b>Note:</b> The term "casino accounts receivable", as used in these standards, includes any item (including returned checks) adjusted for on the NGC tax returns. <b>(Note under this Heading)</b>				
<b>Review of documentation evidencing the performance of cage and credit accounting standards and audit standards is required. Select the appropriate documentation to determine that all required procedures are being performed. (For both the Accounting Standards and Audit Standards)</b>				
55. Is the cage accountability reconciled to the general ledger at least monthly? <b>(48)</b>				
56. Is a listing of all casino accounts receivables, including the name of the patron and current balance, prepared at least monthly for active, inactive, settled or written-off accounts? <b>(49)</b>  <b>Note:</b> A listing of written-off items, i.e., worthless items at the time of write-off, and another listing of payments on items previously written-off, is acceptable. <b>(49)</b>				
57. Is the reclassification of an unpaid balance between the various casino accounts receivable listings (e.g., changing an account from active to inactive status) not reflected on the NGC tax returns? <b>(50)</b>				
58. Is the listing of all casino accounts receivables reconciled to the general ledger each month? <b>(51)</b>				
59. Are all casino accounts receivable listings (the listings prepared pursuant to MICS #49) reconciled to the NGC tax returns each month? <b>(52)</b>  <b>Note:</b> One method to perform the reconciliation is: Change in listings balance (beginning balance less ending balance of all casino accounts receivables, including active markers, returned checks, settlements and write-offs net of recoveries), (+) marker credits, (-) "net adjustments" (from line 2(d) on the NGC-1 tax return), (=) zero. <b>(52)</b>				

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Questions	Yes	No	N/A	Comments, W/P Reference
60. Are all "Accounting Standards" reconciliations mentioned above and any follow-up performed documented and maintained? <b>(53)</b> <b>For one month review each reconciliation to verify that the reconciliation has been properly performed and that the amounts have been properly calculated. Indicate the month/year reviewed for each reconciliation and the results of each reconciliation.</b>				
61. In relation to the previous question, are any variances noted documented prior to the submission of the NGC tax returns for the month and are they resolved prior to the submission of the tax returns for the following month? <b>(53)</b>				
62. On a monthly basis, is the collection percentage calculated, looking for unusual trends, by taking the total of collections in areas other than the pit and dividing it by the sum of the pit marker credits and cage credit issues? <b>(54)</b>				
63. Upon receipt, do accounting/audit personnel review completed settlement forms to ensure that all of the required information pursuant to Regulation 6.120 has been properly documented on the settlement forms? <b>(55)</b>				
64. Are the following procedures performed when a completed settlement form is missing any of the required information:				
a) Do accounting/audit personnel attempt to obtain and document the missing information to ensure the form is complete? <b>(56)</b>				
b) When a patron's signature is not included on the form, do accounting/audit personnel forward a request to the appropriate department to attempt to obtain the patron's signature? <b>(56)</b>				
c) Is a record maintained with the settlement form indicating the attempts to obtain the missing information? <b>(56)</b>				
<b><u>Audit Standards</u></b>				
65. Does an individual, other than the internal auditor, independent of the cage, credit, and collections functions perform the following review procedures at least three time per year:				

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a) Select a sample of credit accounts and ascertain compliance with credit limits and other established credit issuance procedures pursuant to Cage and Credit MICS #1 and Regulation 6.120(2)? <b>(57a)</b>				
b) Randomly reconcile outstanding balances of a sample of active and inactive (including write-offs and settlements) accounts on the listing to individual credit records and physical instruments? <b>(57b)</b>  <b>Note:</b> This procedure need only be performed once per year for inactive accounts. <b>(57b)</b>				
c) Select a sample of credit accounts and examine the credit records to determine that appropriate collection efforts in accordance with Regulation 6.120(3) are being made and payments are being properly recorded? <b>(57c)</b>				
d) For a minimum of five (5) days during each review, reconcile all partial payment receipts to the payments recorded by the cage for the day and verify that all receipts are numerically accounted for? <b>(57d)</b>				
66. For one day each month, do accounting/audit personnel trace the amount of cage deposits to the amounts indicated in the bank statements? <b>(58)</b>				
67. For two days each year, are the following procedures performed:				
a) A count of all funds in all gaming areas (i.e., cages, vaults, and booths, including reserve areas, SAM's, wagering instrument redemption machines and change machines)? <b>(59)</b>				
b) In conjunction with the above count, are all chips and tokens counted by denomination and type and are individual straps, bags, racks, and imprest banks counted on a sample basis? <b>(59)</b>				
c) Are the above counts observed by an individual independent of the department being counted? <b>(59, Note 1)</b>  <b>Note:</b> It is recommended, but not mandatory, that the individual responsible for the funds should perform the actual count while being observed. <b>(59, Note 1)</b>				

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Questions	Yes	No	N/A	Comments, W/P Reference
d) Are all counted amounts traced to the amount recorded on the appropriate accountability form to ensure the proper amount is recorded? <b>(59)</b>				
e) Is documentation maintained evidencing the count amounts for each area and the subsequent comparison to the appropriate accountability form? <b>(59)</b>				
f) Are the procedures in "a" through "e" above separate from the count completed by internal audit? <b>(59, Note 2)</b>				
68. For each calendar quarter are the following procedures performed:				
a) Is a sample of invoices selected for chips and tokens purchased during the calendar quarter being reviewed? <b>(60)</b>				
b) Is the dollar amount of the chips or tokens indicated on the purchase invoice traced to the accountability document indicating the increase to the chip or token inventory to ensure that the proper dollar amount of chips or tokens has been recorded on an accountability form? <b>(60)</b>				
69. For one day each quarter, do accounting/audit personnel reconcile the current dollar amount of active wagering instruments and electronic funds associated with cashless wagering listed on the accountability document by using documents and system reports supporting all additions and reductions of active wagering instruments and electronic funds to the appropriate accountability area? <b>(61)</b>  <b>Note:</b> Active wagering instruments may be issued to an accountability area for the purpose of distributing to patrons.				
70. For one day each year for each branch office, are the following procedures performed:				
a) Are the collections as recorded by the branch office traced to the patron's computer account? <b>(62)</b>				
b) Are the branch office deposits, consisting of patron credit collections, traced to the appropriate bank statement and then to the patron's computer account looking for any unrecorded payments? <b>(62)</b>				

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Questions	Yes	No	N/A	Comments, W/P Reference
71. Do accounting/audit personnel perform the following procedures for marker issue/payment slips:				
a) For at least one day each month, verify that all numerically numbered manual marker issue slips are accounted for with an investigation being performed and documented for all slips that are unaccounted for? <b>(63a)</b>				
b) For at least one day each month, foot the marker issue and payment slips and trace the total to the total marker issue and payment amounts indicated on the appropriate accountability document? <b>(63b)</b>				
c) For each day, examine a sample of marker issue and payment slips for propriety of signatures and proper completion? <b>(63c)</b>				
72. Do accounting/audit personnel perform the following procedures each day for voided markers:				
a) Examine all voided forms for proper authorization and a "void" designation? <b>(64a)</b>				
b) For computer marker systems, trace the voided form to the transaction log? <b>(64b)</b>				
c) For computer marker systems, examine the transaction log for void transactions that are not supported by a voided form? <b>(64c)</b>				
d) Determine that all parts of the voided marker have been received? <b>(64d)</b>				
e) Examine the marker for the proper number of signatures? <b>(64e)</b>				
f) For all voided markers, compare the time of marker issuance to the time of voiding to determine that transactions were voided within 30 minutes after the issuance of the marker? <b>(64f)</b>				
g) With regard to the preceding question, if a marker was not voided within 30 minutes, determine whether the documented reason for exceeding this time period is adequate? <b>(64f)</b>				

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Questions	Yes	No	N/A	Comments, W/P Reference
73. For one day each month, do accounting/audit personnel review a sample of returned checks to determine that the required information was recorded by cage personnel when the check was cashed? <b>(65)</b>				
74. Monthly, do accounting/audit personnel review all promotional payouts, drawings, and giveaway programs to determine proper accounting and proper win/loss computation? <b>(66)</b>				
75. For all promotional payouts, drawings, and giveaway programs, is the following documentation maintained:				
a) Copies of the information provided to the patrons describing the promotional payouts, drawings, and giveaway programs? <b>(67a)</b>				
b) Effective dates? <b>(67b)</b>				
c) Accounting treatment, including general ledger accounts, if applicable? <b>(67c)</b>				
76. Monthly, do accounting/audit personnel perform procedures (i.e., interviews, review of payout documentation) to ensure that promotional payouts, drawings, and giveaway programs are conducted in accordance with the conditions provided to the patrons? <b>(68)</b>				
77. For each day, do accounting/audit personnel reconcile all parts of the form used to record increases/decreases to the cage inventory, investigate any variances noted, and document the results of such investigations? <b>(69)</b>				
78. Is documentation (e.g., log, checklist, notation on reports, and tapes attached to original documents) maintained evidencing the performance of cage and credit audit procedures, the exceptions noted and follow-up of all cage and credit audit exceptions? <b>(70)</b> <b>Verify by examination.</b>				

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Questions	Yes	No	N/A	Comments, W/P Reference
<b><u>Written System of Internal Control</u></b>				
79. Has the licensee's written system of internal control for cage and credit been re-read prior to responding to the following question?				
80. Does the written system of internal control for cage and credit reflect the actual control procedures in effect for compliance with the MICS, variations from the minimum internal control standards approved pursuant to Regulation 6.090(8), and Regulation 14 associated equipments approvals? [ <b>Regulation 6.090(13)</b> ]				

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